

**Senate File 2053 - Introduced**

SENATE FILE 2053

BY CHELGREN

**A BILL FOR**

1 An Act requiring real estate disclosure statements to give  
2 notice of topsoil removal and the use of property for  
3 the manufacture of methamphetamine and making penalties  
4 applicable.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 558A.4, subsection 1, Code 2018, is  
2 amended by adding the following new paragraphs:

3 NEW PARAGRAPH. *0b.* The disclosure statement shall indicate  
4 whether topsoil has been removed from any part of the property  
5 during the last twenty years, as provided in rules which shall  
6 be adopted by the real estate commission pursuant to section  
7 543B.9. However, information relating to topsoil removal shall  
8 not be required in a disclosure statement for the transfer of  
9 agricultural land as defined in section 6A.21. For purposes of  
10 this paragraph, "topsoil" means the natural medium located at  
11 the land surface with favorable characteristics for the growth  
12 of vegetation.

13 NEW PARAGRAPH. *00b.* The disclosure statement shall include  
14 information relating to whether the real property has been used  
15 for the manufacture of methamphetamine, its salts, isomers, or  
16 salts of isomers, as provided in rules which shall be adopted  
17 by the real estate commission pursuant to section 543B.9. If  
18 the disclosure statement indicates that the real property  
19 has been used for the manufacture of any such substance, the  
20 transferor shall provide informational materials explaining  
21 the health risks associated with contaminated real property  
22 along with the disclosure statement. The commission shall  
23 consult with the department of public health to develop such  
24 informational materials.

25 EXPLANATION

26 The inclusion of this explanation does not constitute agreement with  
27 the explanation's substance by the members of the general assembly.

28 Pursuant to current Code chapter 558A, a person interested  
29 in transferring real property must deliver a written disclosure  
30 statement to a person interested in being transferred the real  
31 property. Current law requires the disclosure statement to  
32 include information relating to the condition and important  
33 characteristics of the property.

34 This bill requires that the disclosure statement indicate  
35 whether topsoil, as defined in the bill, has been removed from

1 the property in the last 20 years. The bill exempts disclosure  
2 statements prepared for the transfer of agricultural land from  
3 the requirement.

4 The bill requires that the transferor of real property  
5 disclose whether the property has been used for the manufacture  
6 of methamphetamine. The bill also requires that the transferor  
7 provide informational materials on the health risks associated  
8 with contaminated real property along with the disclosure  
9 statement if the disclosure statement indicates that the real  
10 property has been used for the manufacture of methamphetamine.  
11 The bill requires the real estate commission to consult with  
12 the department of public health to develop the informational  
13 materials.

14 Pursuant to Code section 558A.6, a transferor of real  
15 property who violates the disclosure statement requirements  
16 shall be liable for the amount of actual damages suffered by  
17 the transferee, unless the transferor had no actual knowledge  
18 of the inaccuracy or exercised ordinary care in obtaining  
19 the information. In addition, Code section 714.8 provides  
20 that a contract seller who intentionally provides inaccurate  
21 information on a disclosure statement is guilty of a fraudulent  
22 practice.